

**CITY OF WALLA WALLA HOUSING AUTHORITY
DBA WALLA WALLA HOUSING AUTHORITY
Walla Walla County, Washington
January 1, 1993 Through December 31, 1993**

Schedule Of Federal Findings

1. The Housing Authority Should Document Certification Of Rent Reasonableness

We tested 7 of a possible 119 Certificate (CFDA 14.857) program tenant files. Four of the seven files did not have rent reasonableness certifications done in 1993.

The Department of Housing and Urban Development (HUD) provides housing assistance to low income families through local housing authorities. The *Code of Federal Regulations*, No. 24, Section 882.106(b), requires the housing authority to verify the rent being subsidized by HUD is not in excess of other nonsubsidized housing. The rent reasonableness certification is the designated method to document the verification.

The housing authority did not allocate the staff time necessary to complete the rent reasonableness certifications.

We were unable to determine if the housing authority verified the reasonableness of rent. If the rent is not determined to be reasonable, a questioned cost could result. The questioned costs would be the difference between "reasonable rent" and the actual rent paid. We could not determine this amount.

We recommend the housing authority take the necessary steps to verify rent reasonableness certifications are completed.